

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 539
Version: First engrossment

DATE: March 13, 2012

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Subject: Horses

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Overview

In 2010, the legislature modified Minnesota Statutes, chapter 17, (Department of Agriculture) to state that (1) horses and other equines are livestock and (2) horse breeding/training/boarding is an agricultural pursuit. That law also contains a provision stating that the legislature did not intend these changes to chapter 17 to affect Minnesota Statutes, chapter 273, which governs the classification of land for property tax purposes. This bill would further modify chapter 17. It would remove the existing provision asserting that the law has no bearing on the classification of horse operations under chapter 273. Under chapter 273, livestock are considered an agricultural product, but the term "livestock" is not defined. The absence of a legislative definition essentially delegates the authority to define "livestock" (and, by extension, those livestock operations that are eligible for the lower agricultural property tax rate) to county assessors and the Minnesota Department of Revenue.

- 1 Not determinative for property classification.** States the participating in an agricultural pursuit identified in chapter 17 (e.g. raising horses, llamas, emus, etc.) is not determinative of whether the property qualifies as agricultural for property tax purposes.
- 2 Agricultural pursuit.** States that horse breeding, training, or boarding farms are an agricultural operation.
- 3 Repealer.** Repeals a provision of the law which states: "This section does not apply to the treatment of land used for raising horses under chapter 273."